

I had the good fortune to be appointed in 1992 by Majority Leader Mitchell to be a member of the Select Committee on MIA/POW. The committee was chaired by JOHN KERRY, and it was a wonderful experience for a number of reasons, not the least of which was to watch Senator KERRY because I really, frankly, didn't know him very well. I had been in the Senate for a few years, but when you work here, sometimes you don't really understand how good people are until you work with them on a really close-knit basis, as I did with him because of that appointment.

He did a magnificent job of chairing that committee. Of course, he had some standing to look at what went on in Vietnam since he was wounded three times and had a number of Silver Stars for his heroism in Vietnam. But legislatively that was a great experience for that year, to look to see what had happened in Southeast Asia all over, not only Vietnam, Laos, and Cambodia, but people who had been taken prisoner of war and certainly, if not, were missing in action. It was a good experience for me, and I will always remember that. So this day, National POW/MIA Recognition Day, recalls those memories of many years ago of the hearings we held and the evidence we gathered to make a decision as to what really took place there.

More than 83,000 Americans are missing from World War II, Korea, the Cold War, Vietnam, and, of course, the gulf war. There are also soldiers, sailors, and marines reported missing from our wars in Afghanistan and Iraq that are going on right now. We should not and we will not rest until we have accounted for every missing American servicemember who has fought to protect the freedoms we enjoy as Americans. Although they are missing, they are not forgotten.

It is difficult to comprehend the suffering of families who have lost loved ones. I am hopeful and somewhat confident that it is a comfort to them today to know we give thanks and praise for their dedication to the ideals upon which this Nation was founded. That is why today we commemorate the sacrifices made by those families as well as the soldiers they loved.

I also give thanks for the brave men and women who wear the uniforms of the U.S. armed services today, including more than 2,000 Nevadans currently deployed around the world—not in the service but Nevadans deployed around the world. Anything worth having, of course, is worth defending, and our freedom is one of the most precious.

So today we thank those volunteers who have placed themselves in harm's way to protect this great country. Many of them have paid the ultimate price for our liberty. So today and every day they have the thanks of a grateful Nation, but especially today, for their faithful and selfless service to their country.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

#### MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

#### DEFICIT REDUCTION

Mr. LEVIN. Mr. President, yesterday I spoke on the floor about the need to restore revenue as part of our deficit reduction efforts. I explained that I have sent a letter to the members of the Joint Select Committee, now crafting a deficit reduction plan, with seven ideas on how to address our revenue shortfall in ways that reduce the deficit, protect economic growth, and ensure that the sacrifices which are necessary to achieve our budget goals are shared broadly among the American people. Together, these proposals would reduce deficits on the order of \$1 trillion over 10 years.

Today I want to go into greater detail on two of those ideas to address loopholes and tax breaks that are as damaging to our budget as they are unfair to working families. One proposal would stop corporations and individuals from using offshore tax gimmicks to dodge the taxes they owe. The other proposal would close a loophole that gives corporations a huge tax break when they award stock options to their executives, effectively using the hard-earned tax dollars of American families to subsidize the paychecks of CEOs and other top executives.

Let's begin with the goal here, deficit reduction. Budget experts tell us we cannot close our budget gap with spending cuts alone. Revenue must play a role. These two proposals can help. The Permanent Subcommittee on Investigations, which I chair, has estimated that the use of offshore tax havens by wealthy U.S. taxpayers costs our Treasury around \$100 billion a year. I believe the legislation to address that issue can recover a significant portion of that loss. The Joint Committee on Taxation estimated that a previous version of the legislation would recover nearly \$30 billion over 10 years, but new provisions that we have included should raise that figure sig-

nificantly. Closing the stock option loophole would save \$25 billion over 10 years, according to the Joint Committee on Taxation. This revenue would help the Joint Committee in its difficult task of achieving at least \$1.2 trillion in deficit reduction and it would help restore fairness to the Tax Code without penalizing activities that contribute to economic growth or raising taxes on middle-income Americans.

Our work on the Permanent Subcommittee on Investigations has, for more than a decade, exposed the ugly truths of tax haven abuse. A single building in the Cayman Islands called the Ugland House serves as the mail drop for nearly 19,000 companies incorporated there for tax-dodging purposes. Of the 100 largest publicly traded corporations in America, 83 have subsidiaries in tax havens. Hedge funds, whose employees live right here in the United States, pretend to be based in tax havens to dodge U.S. taxes. An army of lawyers, bankers, and accountants helps U.S. taxpayers use offshore abuses to avoid taxes. All of this shifts the tax burden of these tax dodgers onto the backs of honest taxpayers.

Yesterday, the Internal Revenue Service announced that they have recently completed an offshore program where they give a degree of amnesty to people who are willing to come in and pay their taxes. Thirty thousand such people have come in since 2009, and that is the tip of the iceberg, as our Permanent Subcommittee on Investigations disclosed.

How do we combat this? Several colleagues and I have introduced legislation called the "Stop Tax Haven Abuse Act," S. 1346. Our bill will authorize the Treasury Secretary to take special measures against foreign jurisdictions or foreign financial institutions that impede U.S. tax enforcement by prohibiting U.S. financial institutions from doing business with those foreign financial institutions in uncooperative jurisdictions. It will help the IRS identify ownership and control of offshore entities. It would stop corporations whose management and control are located primarily in the United States from claiming foreign status to dodge taxes. It would prevent businesses from dodging taxes by claiming that assets physically held in the United States should be treated as offshore assets for tax purposes. And it would treat derivatives payments sent from the United States to offshore entities as taxable income. Enacting this legislation and ending these offshore abuses would penalize tax dodging, not legitimate economic activity, and it will help to bring down the deficit.

Similarly, closing the stock option loophole would not penalize productive economic activity. It would, instead, end an unaffordable Federal subsidy for corporate executive pay. Today, under tax rules for reporting stock options, corporations report stock option expenses on their books when those stock options are granted, but they use another method to claim a different—and